

AMENDING SECTION 12 OF THE NAVAL AVIATION
CADET ACT OF 1942

OCTOBER 7 (legislative day, SEPTEMBER 15), 1943.—Ordered to be printed

Mr. WALSH, from the Committee on Naval Affairs, submitted the following

REPORT

[To accompany S. 1347]

The Committee on Naval Affairs, to whom was referred the bill (S. 1347) to amend section 12 of the Naval Aviation Cadet Act of 1942, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the bill is to provide that in the case of officers who are entitled to lump-sum payments under section 12 of the Naval Aviation Cadet Act of 1942, and who fail to designate the beneficiaries to receive the same in the event of their death, payment shall be made to the representatives of their estates in case of their death.

Section 12 of the Naval Aviation Cadet Act of 1942, approved August 4, 1942 (56 Stat. 738; 34 U. S. C. 850k), provides that when officers commissioned pursuant to that act or to the Naval Aviation Reserve Act of 1939 (53 Stat. 819) are released from active duty that has been continuous for 1 or more years, they, or in the event of the death of such officers after continuous active duty for 1 or more years, the beneficiaries specially designated in the manner prescribed by the Secretary of the Navy, shall be paid a lump sum of \$500 for each complete year of continuous commissioned active service. Further provisions of section 12 provide for proration of such lump-sum payments, for limitation of the total amount thereof, and for suspension thereof as to certain groups of officers.

Following the enactment of the Naval Aviation Cadet Act of 1942, the Secretary of the Navy promulgated Form BNP 903 by which eligible officers might designate their beneficiaries for the lump-sum payment. In some cases, due to the exigencies of war, officers lost their lives without having completed and forwarded Form BNP 903.

The Navy Department has made every effort to bring to the attention of officers concerned the urgent necessity of designating their beneficiaries under the law and in accordance with the applicable regulations.

It appears to be the purpose of section 12 of the Naval Aviation Cadet Act of 1942 to treat the lump-sum payment as earned rather than as a gratuity. The lump sum is payable to the officer who earns it, and goes to his beneficiaries only in case of his death prior to the time for payment to him.

The congressional committee reports on the act (H. R. 7364; H. Rept. No. 2357 and S. Rept. No. 1565) contain the following statement:

Section 12 provides for lump-sum payments with minimum requirement of 1 year of commissioned flying service subsequent to aviation training and limitation of 7 years' total of bonus payments. Inasmuch as this lump-sum payment is considered as earned, officers will be permitted to designate beneficiaries who will receive such payment in the event of their death not the result of their own misconduct. The beneficiaries who may be designated in the Government life insurance policies and to receive the 6-month death gratuity are different limited classes of relatives and dependents.

It appears unjust to deny payment of earned lump-sum amounts in the case of officers who die without executing the necessary form. The bill provides that it shall be effective from August 4, 1942, that being the date of approval of the act which it would amend.

No worth-while estimate can be made of the cost to the Government which would be involved in the enactment of the bill into law.

The bill was introduced at the request of the Navy Department and has been cleared by the Bureau of the Budget.

